RAJYA SABHA

Wednesday, the 24th March, 1993 *3rd Chaitra,* 1915 *(Saka)*

The House met at eleven of the Clock,

Mr. Chairman in the Chair.

ORAL ANSWERS TO QUESTIONS

पैट्रोलियम पदार्थों का आयात

*401. श्री सोम पाल : क्या पेट्रोलियम और प्राकृतिक गैस मंत्री यह बताने की कृपा करेंगे कि :

(क) इस समय कितनी मात्रा में पेट्रोलियम पदार्थों का आयात किया जा रहा है तथा इनके आयात पर कितनी विदेशी मुद्रा व्यय की जा रही है;

(ख) परिवहन के क्षेत्र में पेट्रोलियम पदार्थों का उपयोग कम करने के लिये वैज्ञानिक अनुसंधानों को बढ़ावा देने हेतु सरकार ने अब तक क्या प्रयास किये हैं;

(ग) उसके क्या परिणाम निकले हैं;

(घ) क्या शीरे से बनने वाली एल्कोहल या ऐल्कोहल को पेट्रोलियम पदार्थों के वैकल्पिक ईन्धन के रूप में उपयोग में लाया जा सकता है;

(ङ) यदि हां, तो भारत में इसके लिये कोई परियोजना विचाराधीन है; और

(च) यदि हां, तो उसका ब्यौरा क्या है ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARMA) : (a) About 10475 MMT of petroleum products for a value of US $ 2204.69 million are likely to be imported during 1992-93.

(b) The Government have been encouraging manufacture of fuel-efficient vehicles, exploring the possibility of using substitutes of liquid petroleum products, and providing assistance to the research institutes in the automobile and oil sectors for undertaking projects related to vehicle performance improvement and reduction in the consumption of fuel and lubricating oils.

(c) As a result, most of the passenger cars, light commercial vehicles and two-wheelers produced in the country are meeting fuel-efficiency norms and certain types of fuel-efficient engines and components are being developed and sold.

(d) to (f) Ethanol upto 5% can be blended with petrol and used in vehicles without any modification in the carburettor or engine, and as dual-fuel with diesel by retrofitting additional equipment such as fuel tanks, pumps, etc. While several tests and trials have been conduced and some are continuing, the commercial use of etha-IOI will depend on its sustained availability and iechno-economic viability.

MR. CHAIRMAN : First supplementary.

SHRI SOM PAL : Mr. Chairman, Sir, I am happy to note that the Minister is aware of the fact 'hat Ethanol is being used as a substitute for fossil fuel. I would like to draw the attention of the hon. Minister to the report of a high-powered Committee on Agriculture set up by 'he Government of India on 6th February, 1990 and the report submitted by it in July, 1990 wherein it has made a specific recommendation that by using certain materials like sugar-cane, sugar beet, sweet sorghum, molasses and some starch containing materials such as milo, corn, algae, cassava and some other cellulose materials which can be converted through fermentation into Ethanol and this material is being used in a big way in Brazil to run its public transport system.

MR. CHAIRMAN : Now you ask your question, please.

SHRI SOM PAL : Will the Minister like to institute a research project which is funded by levying a cess on the sales of petroleum products to have some tangible results and to evolve a programme in that direction since it is environment-friendly and a renewal source of energy ?

CAPT. SATISH SHARMA : Sir, it is a fact that Ethanol is being used in a big way in Brazil and in some other countries also besides Brazil. We have gone through. this exercise and we have found that technically it is possible to use Ethanol and also Methanol. In petrol-driven vehicles, upto 5% Ethanol can be used without any modifications. That is technically feasible but the overall economic feasibility has to be looked into.

SHRI SOM PAL : Chairman. Sir, my second supplementary is, the same Committee has estimated in consultation with experts including one, Dr. H. B. Mathur, who has written a research paper on this subject in 1988, that India is capable of producing 1500 million tonnes of this material, Ethanol, and that in Brazil, it is being substiluted to the tune of 60%. Then, what is the problem in India for it being used as such and will the Minister ensure that these estimates are carried out, these studies are carried out ? WiU he create a fund by levying a cess to which he has not replied ?

CAPT. SATISH SHARMA : Sir, the question of levying a cess does not arise. The present situation is that Ethanol is being used in the chemical sector in a big way and Ethanol, as compared to its application as a petroleum substitute for transportation sector, is a highly desirable item because it is a value-added item in the chemical sector.

As I mentioned earlier to the honourable Member, the economic feasibility has not been examined on this front and our finding is that the present situation is such that sustained availability of ethanol is not possible at present. But I will keep the honourable Member's suggestion in mind and have the matter examined.

MR. CHAIRMAN : Mr. Madhavan.

SHRI S. MADHAVAN : Sir, recently, the Government of India announced about permitting the private sector to import certain petroleum products like kerosene and LPG. What is the policy that they are going to adopt to permit the private sector to import such things ? I would like to know whether it is the consumer or the trader or the bulk consumer or only the State who will foe allowed to import these things. If such a policy is implemented, there will be a dual system which means that one section of the public is to pay more while the Government would be selling at a lesser price. I would like to know from the honourable Minister when that policy is going to be implemented and what the guidelines are which the Government has formulated.

CAPT. SATISH SHARMA : I would like to convey through you, Sir, to the honourable Member that it is a fact that the Government has decanalised LPG and kerosene for parallel marketing in the country. The objectives are to augment domestic availability of LPG. As you are aware, there is a shortage of LPG and there is a big queue in the public distribution system. We have a waiting list of almost one crore right now for LPG. What was happening was that even in the case of LPG there was diversion taking place for commercial application, in the black market. We are all aware that you can buy LPG in the black market Delhi, as you know, because it is a subswteed item. So, it is a question of supply and demand. The objective is that we want to augment the domestic availability of LPG to ensure that it reaches the target groups and to minimise the unauthorised diversion and its misuse. So, we have decanalised both LPG and kerosene. Import is allowed. Any Indian company or a multinational company or a joint venture is welcome to participate in importing, and distributing LPG as well as kerosene. That is the stand.

MR. CHAIRMAN : Mr. Swell.

SHRI G. G. SWELL : Sir, with Russia verging on a civil war which may mean

drying up of supplies of oil, petroleum products and naphtha, with the unit rate of exchange of the rupee—not convertibility, because you can get any amount of rupees for dollars, but you cannot go to the bank with sackful of rupees and get dollars— and with the volatility of the global oil market, I would like to know from the Minister whether he can assure this House that he will be able to be within the financial upper limit that he has mentioned in the statement, namely, $ 2,204 million and whether he is in a position to assure us and assure this coun'ry that the domestic prices of petroleum products will not rise in the near future.

CAPT. SATISH SHARMA : Sir, as you are aware, after our understanding with President Yeltsin after his recent visit to India, our purchase are purely in hard currency and so, the question of Rus sian supplies in the context of the honourable Member's reference is really irrelevant. In the overall situation, we arc purchasing crude and petroleum pro ducts through hard currency from global sources. So, the present indications are that I do not see any reason why the prices of petroleum products should go up.

SHRI TINDIVANAM G. VENKATRAMAN : Sir, already natural gas is being used as an ai'ernative for petrol or diesel in running a car or a bus. And with this new innovation, the cost of running a car on this gas comes to 40 paise per kilometre. There is also a large quantum of gas available. So, I would like to know from the hon. Minister as to why not this new innovation be tried by the Government. What is the reaction of the Minister ?

CAPT. SATISH SHARMA: Sir, I entirely agree with the hon. Member. As it is at an experimental stage, in our first phase, we have approximately 220 vehicles already on the roads using the compressed na'ural gas, and we are looking at various measures on how we are going to progress . with this. I can assure the hon. Member that this matter is being not only looked into, but we are also at it.

SHRI INDER KUMAR GUJRAL : Sir, She hon. Minister has made a statement 'hat under the new policy, he is permitting the import of petroleum products by the multinationals. May I know whether the implication is that these imports will be met from the foreign exchange going from India ? Or, will it be that the multinationals will find their foreign exchange and will not ask for reimbursement of the foreign exchange spent ? If these were not the facts, then what is the advantage ? What does India get out of it because, Sir, instead of asking Mr. B sitting in London to import kerosene for you, you can do it yourself— kerosene is easily available—if you have money, and your distribution mechanism is already available.

CAPT. SATISH SHARMA : Sir, this import, whether by a multinational or a local private company, will be made through he new unified exchange rate mechanism, ha' is from the market. They will not be lemanding any money from the Government.

SHRI INDER KUMAR GUJARAL : I am sorry, Sir. This means that India's foreign exchange will be used by multinationals to acquire oil and petroleum products, and it is only because the IMF so wishes that the hon. Minister is conceding this point.

CAPT. SATISH SHARMA : Sir, I find that his question is not relevant to the question which is being asked. All I can say is that the full convertibility of rupee on trade account exists already. So, I do not understand what he is aiming at.

SHRI N. E. BALARAM : Sir, to minimise the use of petroleum products, the Eighth Five Year Plan has already laid down certain directives. One of the important directives is that the Government should encourage the transport of commodities through the railways. Now, the commodities are transposed by heavy vehicles throughout the country which necessarily means using of more and more petroleum products for the purpose. So, I would like to ask the hon. Minister whether he has taken up this important item with the Rail-

way Ministry or in the Cabinet to implement this Eighth Plan guideline so that we can reduce the use of petroleum products. It is here in the Plan documents. It was not discussed in the Parliament. We have accepted it.

CAPT. SATISH SHARMA : Sir, I can assure the hon. Member that we will take up with the Railway Ministry whether any study of this nature has been done, and I will pass on the details to hire.

SHRI N. E. BALARAM : Why has he not done it so far ? What is he talking ? This is a guideline given by the Eighth Five Year Plan. Now, he is asking the Railway Minister through me. What is the Cabinet doing ? They are spending crores in foreign exchange for importing oil. What are you doing about it now ? Now you are asking the Railway Minister through me. I am asking you wheher you have taken up this issue with the Railway Ministry because this is a guideline given by the Eighth Five Year Plan. It is not given by the Opposition. We have never discussed that point in Parliament. You have got a copy with you. You are implemen'ing that plan. Did you take up with the Railway Ministry or with the Cabinet ? I want a definite answer.

CAPT. SATISH SHARMA : This does not relate to the main question being discussed, Sir. If he gives it in writing, he will get the information.

SHRI N. E. BALARAM : Par' (b) of the question specifically asks : "What efforts have been made by the Government so far to promote ... on minimising the use of petroleum products..." The question is there. The question is, how to reduce the use of petroleum because we have scarcity of foreign exchange with us. He did not read the question. If he reads it now, he will understand the thrust of the question.

CAPT. SATISH SHARMA : I think after reading out the question, the hon. Member is certainly more coherent. His larlier statement was not comprehensible. Let me answer the question he has just Raised. Yes, it is a part of the question.

As I mentioned earlier in the House when Som Palji had specifically asked about ethanol which is a petroleum substitute, not only we discussed ethanol, we discussed CNG—Compressed Natural Gas, which is another substitute which can bring about economy in the substitution programme Which is being looked into. Besides that, other efforts are also being made in the country, as you are aware. Sir, we are already working on the technology as far as 'he designs of the engines are concerned, the lubes and additives which are being manufactured now which helps in conservation in areas of motor spirit. For diesel, We have for monograde—which we are talking about—'Mill-C which is a long drain oil which is being used again to economise on fuel consumption. For two-Wheelers, we have superior 2-T which is again the upgradation of technology in that area. We have the CNG; that we have discussed. I also mentioned about ethanol. Besides that, we have Bharat Heavy Electricals and a private operator making diesel-operated vehicles which is on an experimental stage. This is being done in the country. Then we have battery-powered vehicles, as they are called. There is a definite programme under way. About 225 vehicles are already on the road in the first phase. We want to expand it in the second phase. I can assure the hon. Member that in this area, work is being done. Some work has yielded results. In other areas, we are still on the experimental stage.

MR. CHAIRMAN : Next question.

मिरज से लोंडा तक की रेल लाइन को बड़ी लाइन में बदला जाना

*402 श्री विश्वासराव राम राव पाटिल :
श्री सुशील कुमार संभाजी राव शिन्दे :
क्या रेल मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार ने मिरज से लोंडा तक की रेल लाइन को बड़ी लाइन में बदलने का निर्णय लिया है;

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*सभा में यह प्रश्न श्री विश्वासराव रामराव पाटिल द्वारा पूछा गया ।